

New Sugar Policy

156. SHRI NAGENDRA NATH OJHA:

SHRI J. CHITHARANJAN:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that a New Sugar Policy has recently been announced by the Government; and

(b) if so, the salient features thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD): (a) and (b) on 10.1.2001, Government has announced its decision on the recommendations of the High Powered Committee on Sugar Industry which has submitted its report in April, 1998. The major recommendations of the Committee pertained to decontrol of sugar industry and supply of levy sugar in Public Distribution System. Government decision on these recommendations is as under :

Reduction in the levy obligation

Government has decided to decontrol the sugar industry in a phased manner. The levy obligation was reduced from 40% to 30% with effect from 1.1.2000. Government has further reduced the levy obligation from 30% to 15% with effect from 1.2.2001.

Restructuring of Public Distribution System for levy sugar

Government has decided to restructure the Public Distribution System (PDS) in so far as supply of levy sugar is concerned. Income tax assesseees and members of their families were excluded from the purview of the PDS levy sugar with effect from July, 2000. The supply of levy sugar under the PDS has been restricted, with effect from 1.2.2001, to the people below poverty line except in North-Eastern States/Hill States/Island Territories, where the existing arrangements would continue. However, minimum per capita per month quantum of

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levy sugar under the PDS has been increased from 425 gms. to 500 gms., which would benefit the people below poverty line.

**Treating Swarna Masuri variety of paddy as 'A' grade in
Andhra Pradesh**

157. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the Food Corporation of India has not treated the "Swarna Masuri" variety of paddy as 'A' grade variety in Andhra Pradesh;

(b) whether inspite of instructions from the higher authorities in this regard the local purchasing staff was not following the instructions;

(c) whether this has resulted in difficulties to the paddy growers in the State; and

(d) whether any fresh instructions would be issued to the concerned officials to be careful in future?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHRIRAM CHAUHAN): (a) and (b) As per the existing system of classification of paddy/rice varieties based on Length/Breadth (L/B) ratio, Swarna Masuri (MTU-7029) variety of paddy grown in Andhra Pradesh was not found conforming to the IvB ratio applicable to Grade 'A' during the current Kharif Marketing Season 2000-2001. However, considering the request of the Government of Andhra Pradesh, the Government has allowed procurement of Swarna Masuri variety of paddy at the price applicable to grade 'A' *i.e.* Rs. 540/-per quintal. The Government has also allowed procurement of all varieties of Grade 'A' rice, including Swarna Masuri both raw and parboiled with admixture of lower class upto a maximum limit of 13% as against the limit of 10% provided under the uniform (FAQ) specification in Andhra Pradesh operative upto 31.3.2001.